

OER Meeting 1

Implementation of the 2022 Residential Solar Energy Disclosure and Homeowners Bill of Rights Act

Solar Consumer Protection Disclosure Form Meeting 1

Form Language and Content

Agenda

1. Introduction of attendees
2. Discussion of meeting format and meeting goals
3. Timeline
4. OER presentation of poll results
5. OER presentation – Solar Consumer Protection Forms Currently in Use
6. General discussion facilitated by OER
7. Next Steps

Meeting Goals

- Understand how the current forms are being used
- Understand what information **MUST** be included in the new drafts
- Agree on the new form content
- Design new forms with required new language, location of new and amended language and other changes as needed
- Understand the next steps related to regulatory process and the associated timeline
- Develop timeline for public comment for new draft forms

Forms Currently in Use -> New Forms

Rhode Island Energy – Renewable Energy Growth Program

- Direct Purchase Ownership Form
- Third Party Ownership Form
- Self Installer Form



Renewable Energy Fund

- Direct Purchase

Rhode Island Energy – Renewable Energy Growth Program

- Direct Purchase Ownership Form
- Third Party Ownership Form
- Self Installer Form
- Rhode Island Energy Net Metering
 - Direct Purchase Ownership Form
 - Third Party Ownership Form
 - Self Installer Form
- Pascoag Utility District
 - Net Metering direct ownership form
- Block Island Utility District
 - Net Metering direct ownership form

Timeline for Implementation

Rhode Island Energy

Renewable Energy Growth Program – must be included in RIE’s 2024 tariff updates, final versions of forms needed by October 2023, in use by April 1, 2024

Net Metering Forms - ?

Pascoag Utility District

Net Metering Form -?

Block Island Utility District

Net Metering Form - ?

Required New Language

- **§ 39-26.8-4. Disclosure form required.**
- **(a)** Before entering a solar agreement, a solar retailer shall provide to a potential customer the standard disclosure form established pursuant to subsection (b) of this section. This requirement shall apply to contracts entered into beginning forty-five (45) days from the date that the standard disclosure form is published by the office of energy resources.
- **(b)** The office of energy resources shall develop a standard disclosure form. Use of and compliance with the standard disclosure form will satisfy the solar retailer's obligation under this chapter. The standard disclosure form shall be published on the website of the office of energy resources. In developing the standard disclosure form, the office of energy resources may use as a model the renewable energy fund small scale participant consumer disclosure form developed by the Rhode Island commerce corporation. The office of energy resources shall also consult with industry and other stakeholders in the development of the content and format of the form and in regard to any changes to the form. At a minimum, the disclosure form shall:
 - **(1)** Be in at least twelve (12) point font;
 - **(2)** Contain fields that require providing the following information:
 - **(i)** The name, address, telephone number, and any email address of the potential customer;
 - **(ii)** The name, address, telephone number, and email address of the solar retailer; and
 - **(iii)(A)** The name, address, telephone number, email address, and state contractor license number of the person who is expected to install the system that is the subject of the solar agreement; and
 - **(B)** If the solar retailer selected the person who is expected to provide operations or maintenance support to the potential customer or introduced that person to the potential customer, the name, address, telephone number, email address, and state contractor license of the operations or maintenance support person; and

Required New Language Continued

- **(a)** The standard disclosure form shall include:
 - **(1)** An indication of whether operations or maintenance services are included as part of the solar agreement;
 - **(2)** If the solar retailer provides any written estimate of the savings the potential customer is projected to realize from the system based on similar installations that have the same geographic orientation in similar climates, the solar retailer must complete fields requiring entry of the following information:
 - **(i)** The estimated projected savings over the life of the solar agreement; and
 - **(ii)** An optional field for the estimated projected savings over any longer period not to exceed the anticipated useful life of the system; and
 - **(3)** Fields to disclose material assumptions used to calculate estimated projected savings and the source of those assumptions, including:
 - **(i)** If an annual electricity rate increase is assumed, the rate of the increase and the solar retailer's basis for the assumption of the rate increase;
 - **(ii)** The potential customer's eligibility for or receipt of tax credits or other governmental or utility incentives;
 - **(iii)** System production data, including production degradation;
 - **(iv)** The system's eligibility for interconnection under any net metering or similar program;
 - **(v)** Electrical usage and the system's designed offset of the electrical usage;
 - **(vi)** Historical utility costs paid by the potential customer;
 - **(vii)** Any rate escalation affecting a payment between the potential customer and the solar retailer; and
 - **(viii)** A field to indicate whether costs of replacing equipment were assumed. If such costs were assumed, the form shall require a field for listing the costs associated with replacing equipment making up part of the system applicable.

Required New Language Continued

- **b)** The standard disclosure form shall include the following disclosures and notices:
 - **(1)** Two (2) separate statements in capital letters in close proximity to any written estimate of projected savings:
 - **(i)** “This is an estimate. Utility rates May go up or down and actual savings, if any, May vary. Historical data are not necessarily representative of future results. For further information regarding rates, contact your local utility or the state public utility commission”; and
 - **(ii)** “Tax and other federal, state, and local incentives vary as to refundability and are subject to change or termination by legislative or regulatory action, which May impact savings estimates. Consult a tax professional for more information.”
 - **(2)** A notice that: “Legislative or regulatory action may affect or eliminate your ability to sell or get credit for any excess power generated by the system, and may affect the price or value of that power.”
- **(c)** The standard disclosure form shall include fields requiring entry of the following information:
 - **(1)** A statement describing the system and indicating the system design assumptions, including the make and model of the solar panels and inverters, system size, positioning of the panels on the customer’s property, estimated first-year energy production, and estimated annual energy production degradation, including the overall percentage degradation over the term of the solar agreement or, at the solar retailer’s option, over the estimated useful life of the system;
 - **(2)** A description of any warranty, representation, or guarantee of energy production of the system; and
 - **(3)** The approximate start and completion dates for the installation of the system.
- **(d)** The standard disclosure form shall require an indication of whether any warranty or maintenance obligations related to the system may be transferred by the solar retailer to a third party.

Required New Language Continued

- **(e)** The standard disclosure form shall require the following disclosure: “If this form indicates that the warranty or maintenance obligation may be transferred, then be advised — The maintenance and repair obligations under your contract may be assigned or transferred without your consent to a third party who will be bound to all the terms of the contract. If a transfer occurs, you will be notified of any change to the address, email address, or phone number to use for questions or payments or to request system maintenance or repair.”
- **(f)** The standard disclosure form shall require an indication of whether the solar retailer will obtain customer approval to connect the system to the customer’s utility. If indicated that the retailer will not obtain said approval, there shall be an additional field requiring a description of what the customer must do to interconnect the system to the utility.
- **(g)** The standard disclosure form shall require an indication of whether the solar retailer provides any warranties. If indicated that the retailer does provide warranties, there shall be an additional field requiring a description of any roof penetration warranty or other warranty that the solar retailer provides the customer.
- **(h)** The standard disclosure form shall require the solar retailer to indicate whether the solar retailer will make a fixture filing or other notice in the city or town real property records covering the system, including a Notice of Independently-Owned Solar Energy System. If indicated that the retailer will make the fixture filing, there shall be an additional field requiring a description of any fees or other costs associated with the filing that may be charged to the customer.
- **(i)** The standard disclosure form shall include the following statement in capital letters that: “No employee or representative of [name of solar retailer] is authorized to make any promise to you that is not contained in this disclosure form concerning cost savings, tax benefits, or government or utility incentives. You should not rely upon any promise or estimate that is not included in this disclosure form.”
- **(j)** The standard disclosure form shall include the following statement in capital letters: “[name of solar retailer] is not affiliated with any utility company or government agency. No employee or representative of [name of solar retailer] is authorized to claim affiliation with a utility company or government agency.”
- **(k)** The standard disclosure form shall include a statement that if the customer fails to make installment payments, the solar retailer may place liens for payment on their residence effective only after written notice is provided to the customer.
- **(l)** The office of energy resources may require any additional information and disclosures deemed necessary to inform and protect customers.
- **(m)** The written disclosure form requirement may be satisfied by the electronic delivery of the disclosure form to the potential customer as long as the required disclosures are displayed in a clear and conspicuous manner.

Required New Language Continued

- **§ 39-26.8-9. Customer right to cancel solar agreement.**
- The customer has the right to cancel or rescind a solar agreement within forty-five (45) days of entering into the solar agreement. The standard disclosure form shall inform the customer of this right.

Required New Language Continued – New Process?

- **§ 39-26.8-10. Good-faith estimate allowed.**
- If a solar retailer does not, at the time of providing a disclosure form, have exact cost information required to be included in the disclosure form, pursuant to this chapter, the retailer may make a good-faith estimate of that information, if the solar retailer clearly indicates that the information is an estimate and provides the basis for the estimate. If the solar retailer's final cost assessment differs from previously provided estimates, the retailer shall provide a new and complete disclosure form.

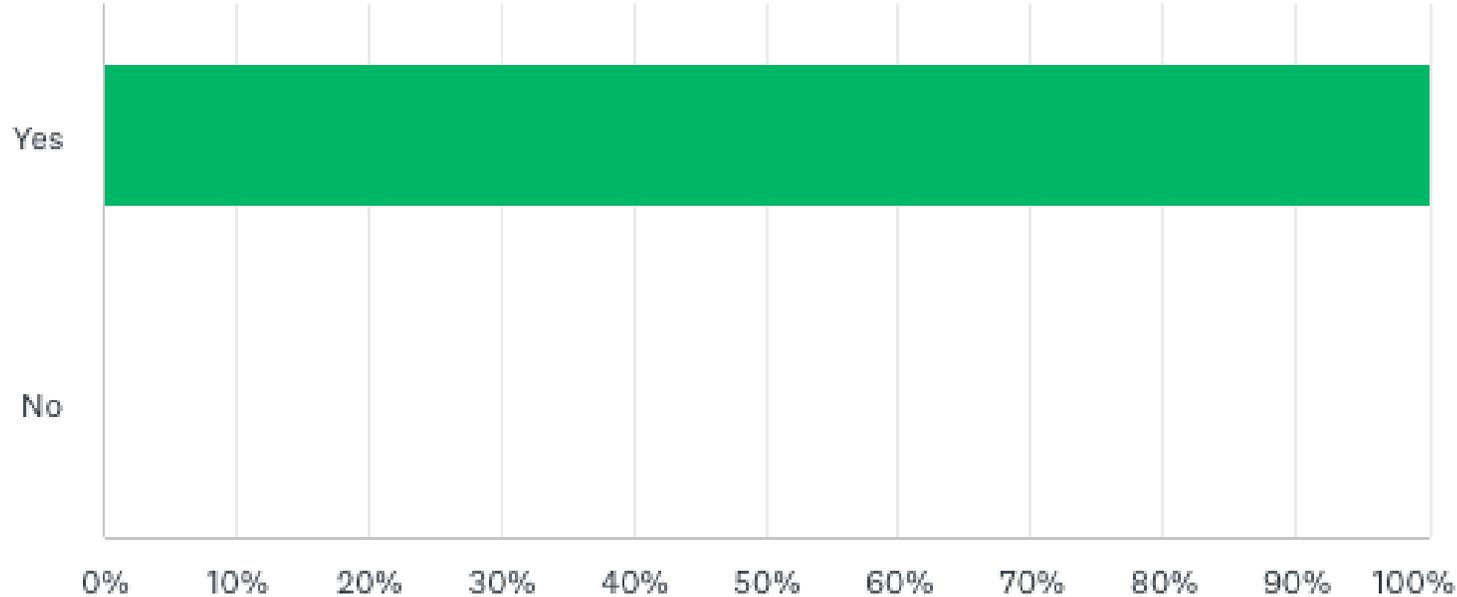
OER Survey Results for Implementation of the 2022 Residential Solar Energy Disclosure and Homeowners Bill of Rights Act

Solar Consumer Protection Disclosure Form Meeting 1

Form Language and Content

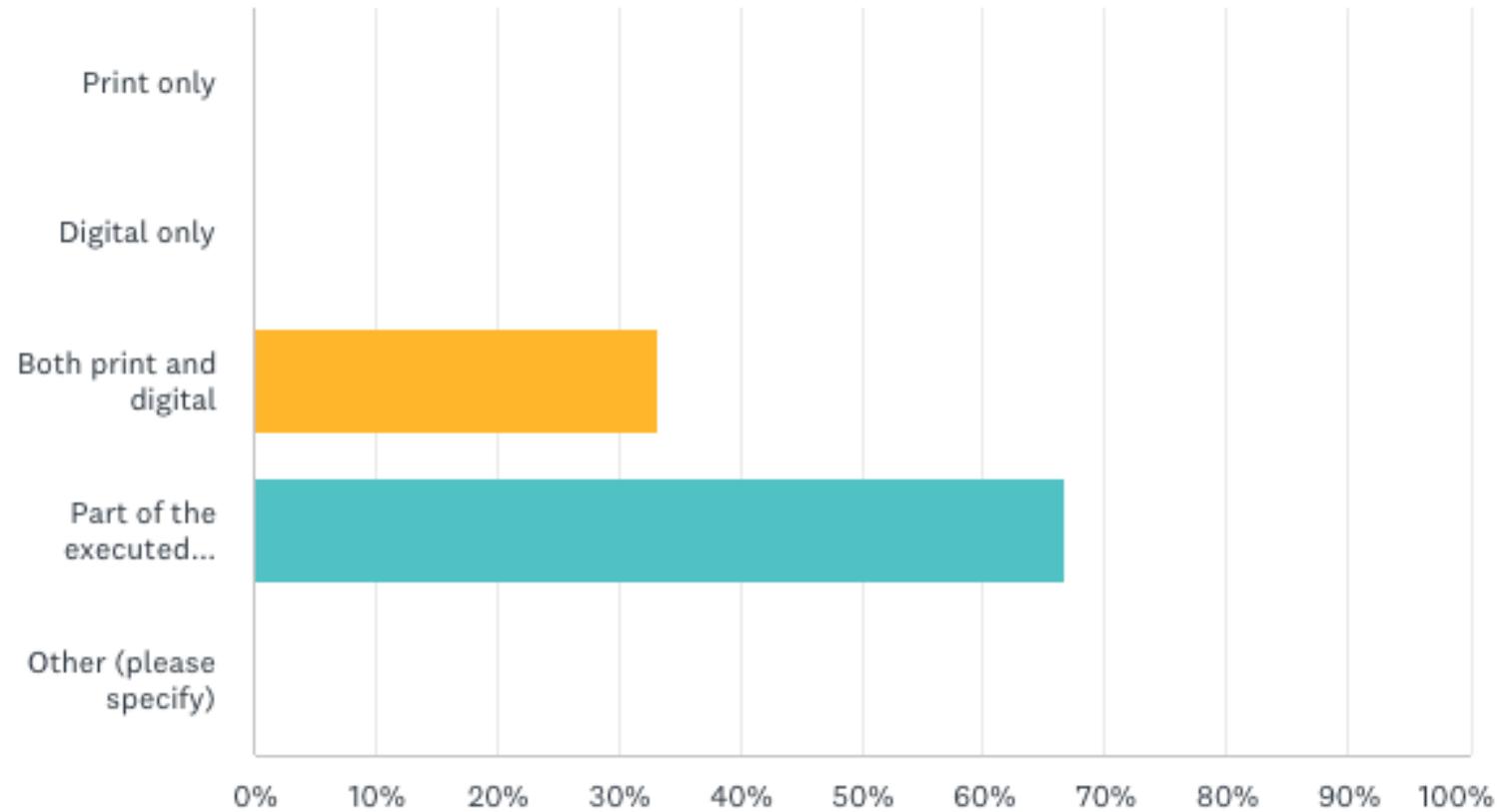
Are you aware of the current Solar Consumer Protection Disclosure forms currently required by the Renewable Energy Growth Program and the Renewable Energy Fund?

Answered: 3 Skipped: 0



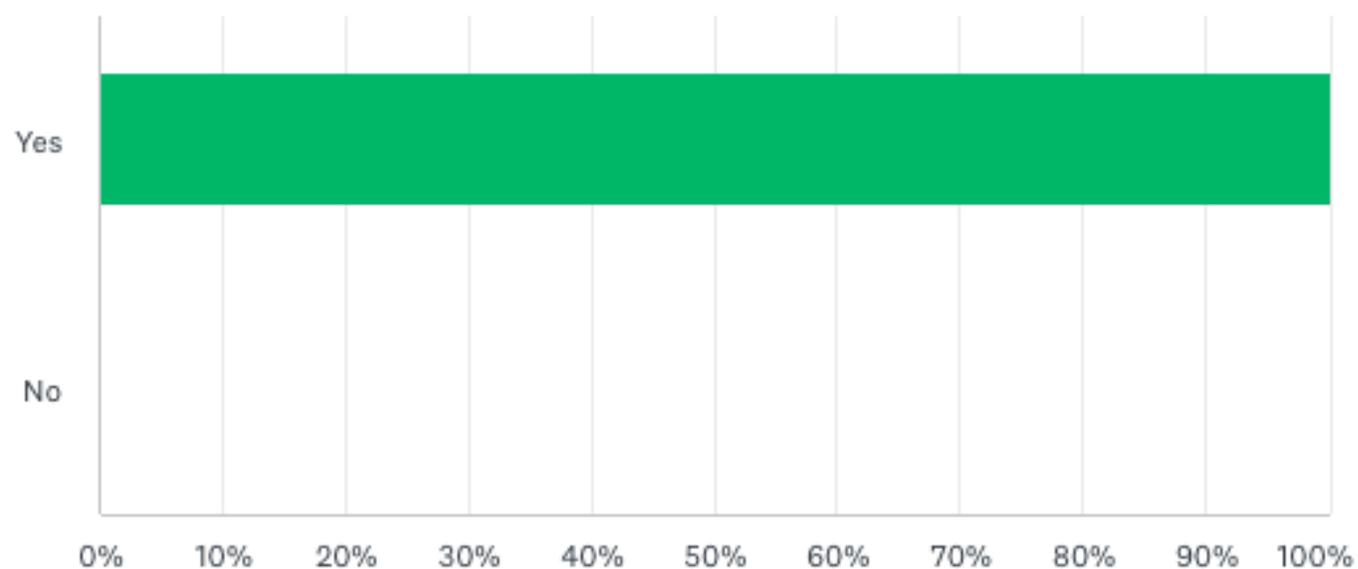
How should the forms be made available to customers to review and sign?

Answered: 3 Skipped: 0



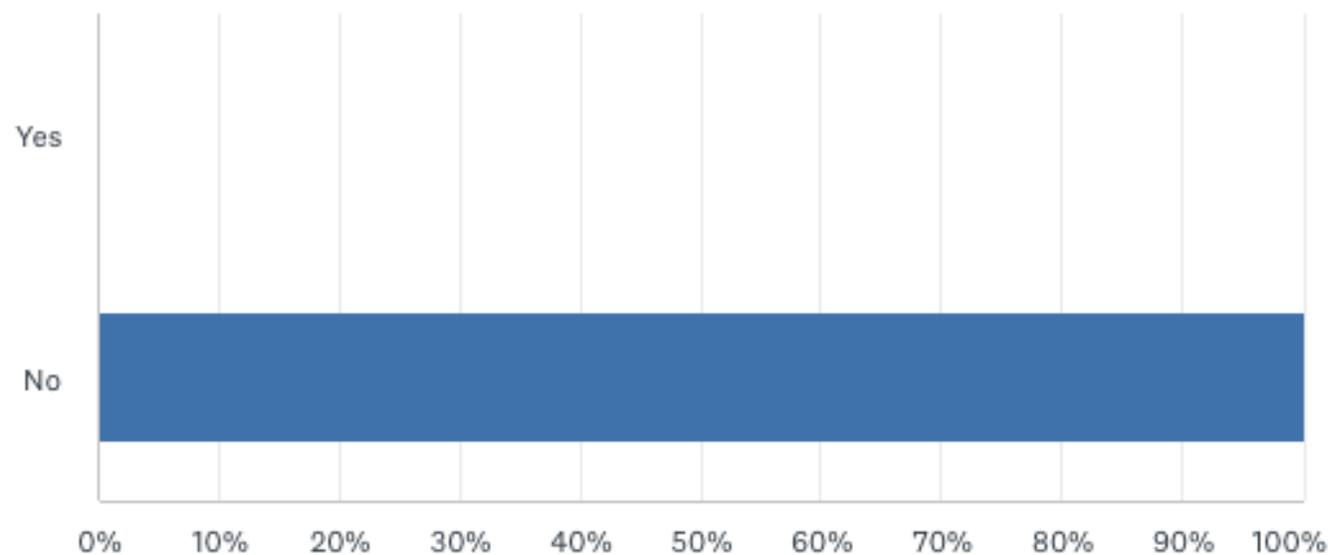
Do you require that your sales staff and/or sales consultants explain the content of the form before the customer signs the form?

Answered: 3 Skipped: 0



Are you concerned that your customers do not understand the content of the form?

Answered: 3 Skipped: 0



What information currently on the forms in use would you like to see changed?

I had suggested including the individual efficiency of all proposed arrays to reveal inefficient north facing arrays people are being up-sold, but it was confused and written improperly on the disclosure form. It needs to be corrected to protect consumers from this very expensive trick some contractors are pulling on customers. The current language in that section makes no sense and does nothing to protect consumers

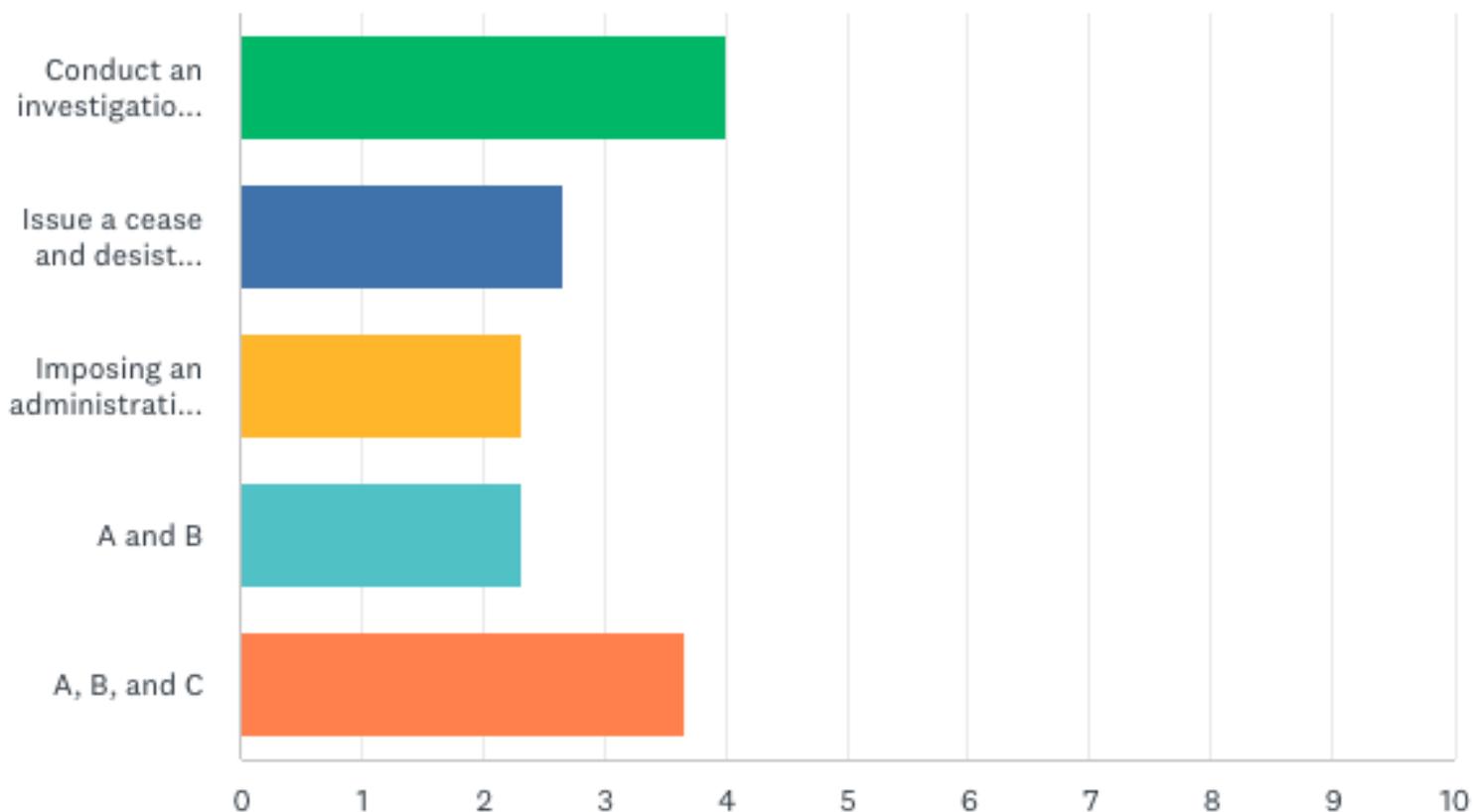
1. Array-specific information - less important for TPO forms but important for customer-owned.
2. Payments for an extended shutdown - not necessarily a binary choice, many variables regarding length of shutdown, reason for shutdown, what production guarantees are included etc.
3. Minor clarifications on intent of a few fields such as Contract End Date. Not 100% known, would "25 years after system is placed in service" be acceptable?

What
information is
not on the
forms in use
would you like
to see added?

- REG TPO form does not include Year 1 estimated production, but should be included on all forms.
- Energy storage - a storage addendum may make sense
- Reformat the CDF and Section II into one document. Half the information in Section II is a duplicate of CDF. Also in the contract. Include the new form as part of a REF project contract to serve as a "scope of work" section, which would include the customer's signature. All the same information now in three places would be covered in one document

The Act requires that the Division of Public Utilities and Carriers enforce compliance of the use of the form. In order of priority (greatest preference to least preference), which of the provisions of the law should be used for enforcement and compliance:

Answered: 3 Skipped: 0



New Language Discussion

- OER will add the required language to the template REF (new net metering form) and REG direct purchase forms
- Out for public comment for two weeks
- Review during second meeting, then the creation of the remaining forms based on consensus language
- What else besides the new language needs to be added or edited?
- Should anything related to energy storage be added for the form? A separate form or an addendum?

Next Steps

- New draft forms posted on OER's website
- Outline of process posted on OER's website
- Feedback on all documents open for two weeks
- Discussion of second meeting date/time/location
- Topic for Meeting 2 - Process



Process Discussion for Meeting 2

When in the contracting process should the customer receive the form?

What format should the forms be provided to customers?

When in the interconnection application process should forms be collected?